The Great Cooperation

Generating momentum for the Great Transformation

The Arctic sea ice is melting at a record speed. Droughts in the USA, Kazakhstan and Ukraine are pushing up the prices of basic foods. The increasing scarcity of energy and mineral resources is creating economic and social risks. The worsening crises in the climate, energy, resources and food security nexus demand, almost daily, that we are reaching the limits to our use of the Earth’s resources – in other words, we are fast approaching its planetary boundaries. This has major consequences whose burden falls mostly heavily on the shoulders of the poorest and most vulnerable people in developing and emerging countries.

The economy’s fallback positions in response to the energy crisis often point in an unsustainable direction, such as the increased use of climate-damaging lignite or oil sands instead of the expansion of renewable energies. The search for solutions which merely treat the symptoms of the crises, instead of initiating radical and sustainable, whole-of-society change processes, does not bring us any closer to a “Great Transformation” towards a sustainable development (see article, p. 2). But the nexus of multiple crisis, comprising development issues and planetary boundaries, is forcing us to rethink. Not only are we reaching the ecosystem’s limits: the knowledge available about these limits demonstrates the remarkable scale of the social and economic challenges we face.

But some initial signs of successful transformation processes can already be discerned: the civic engagement by private citizens in renewable energy communities in Denmark, business models for urban farming in New York, political demands for feed-in payments for renewable energies in India, and low-carbon zones in China (see article, p. 4). In Germany, one person in every two is now a vegetarian, and in German cities the number of car-owners in the population is decreasing, especially in the key group, namely young adults. These trends point in the right direction. However, they need enabling policy frameworks if they are to progress (see interview, p. 2).

A particular challenge for the trend reversal is posed by the “spoilers” – mainly those who profit from the current systems. Those who say “no” to transformation are resisting the change processes that are necessary – also by exerting political influence. But instead of seeking to build protective walls around their role as yesterday’s winners, they should be developing their business models in such a way that they can utilise the opportunities, which by the very nature of our energy systems. For Germany’s four major energy supply companies, this is the major challenge. Winning the commitment of their customers is key to the success of the Great Transformation. Similarly, the car industry is clinging to its outdated business models. It has difficulty switching to sustainable mobility services such as car sharing or transport mixes which include rail rather than relying on the car alone. Instead, they are blocking the adoption of the legislation that is essential to reduce fuel consumption, also post-2020. In the agro-chemical industry, too, the dominant business models achieve their success at the expense of smallholder farmers and make a stronger role for organic farming almost impossible.

The Great Transformation can only be successful through cooperation between diverse sectors and stakeholders. In order to further strengthen the new initiatives and mainstream the dynamics of the Great Transformation both nationally and internationally, also in the UN bodies, new strategies for action, communication and cooperation are required. In view of the changed power constellations and shifts in wealth, this means rethinking North-South cooperation. But it is no less important – in a world in which “growth”, as the answer to major justice issues, is increasingly reaching its limits – to seek new solutions to these as well. The key issue that Germany and the EU should address is to enter into alliances or partnerships, especially with the countries most affected by the current crises – the small island states and Africa – and with actors of particular geographical significance such as the emerging countries. In light of the growing willingness to take action, which is becoming apparent in some emerging countries, but also in view of the USA’s incapacity to act, especially in the climate process, partnerships with the emerging countries – China and India, but also South Africa, the MENA region (see article on p. 4) and Brazil – are a particularly promising way forward for the EU. Topics addressed within these partnerships could include the transformation of energy systems, the Renewable Energy Sources Act, low-energy buildings, and emissions trading schemes. But it’s not only the EU which has a role to play here: a growing number of South- South partnerships are also proving their worth.

So what does this mean for the international NGO landscape? How can it respond to global changes, redefine its roles and engage creatively for the Great Transformation? What seems certain is that NGOs must coordinate their positions on a Great Transformation across countries and continents and must pursue this transformation through a division of labour and old and new forms of action. Germanwatch supports this transformation through national and international dialogue and strategy processes which we are keen to share with you in this latest issue of our newspaper.

Risa Schwartz, Stefan Rostock

Countless non-governmental organisations (NGOs) and social movements worldwide are working for the transformation of energy and agricultural systems that is so urgently needed. On the one hand, there are international groups which are committed to protecting the climate or the rainforests; on the other, there are the development organisations which promote fair access to energy and the rights to food and water. Here, there are the grassroots NGOs working with, and for, the most affected stakeholders; there, there are the NGOs which engage in professional lobbying and advocacy and manage – mostly small – victories from policy-makers and business. Faced with the climate and food crisis, how can they coordinate their strategies more effectively?

A coordinated strategy can only be successful if it proceeds from two basic starting points. The first is the right to develop- ment – specifically, access to energy and the rights to food and water. Anyone disputing these rights is not a cynic; he also has no prospect of success. The second consists of the boundaries which Planet Earth itself sets on the right and scale of all development. Among other things, this means avoiding dangerous climate change and prohibiting violence and domination. Any- one who fails to respect planetary bounda- ries will fail in the medium term at the latest.

Local grassroots action and national/ international lobbying and advocacy are not op- ponents; they are mutually dependent. Lobby- ing helps to flatten out the ongoing uphill struggle which all of them face, including the local groups. At the same time, the work being taken at the grassroots level shows that the transformation is possible and is forcing politicians to act.

If these principles are accepted as the es- sential basis in political debates, the next step is to discuss the division of roles under a joint strategy.

Christoph Pöls

Why I find Germanwatch important

One positive experience before and at the Rio+20 conference for the Biovision team was the constructive cooperation with other NGOs. That’s why I welcome the initiative of Germanwatch to strengthen such collabora- tion. For our commitment to initiate a global change in agricultural policy towards sustain- able ecological smallholder farming struc- tures to ensure food security for all, we are dependent on reliable and committed part- ners. Together we are stronger!

Dr. Hans Rudolf Herren, Winner of the World Food Prize, Founder and President of Biovi- sion Foundation, Switzerland, and President of the Millennium Institute in Washington

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Sustainable consumption must become rational and lucrative

Interview with Prof. Dr. Ernst Ulrich von Weizsäcker

Ernst Ulrich von Weizsäcker is one of the pioneers of energy efficiency and sustainability and was for a long time the president of the Weizsäcker Foundation and a member of the European Parliament. He is known as one of the leading environmentalists in Germany and has been a member of the Commission for Globalization and was chairman of the Committee on the Environment.

You established the concept that prices must tell the ecological truth, so that dedicated consumers would not have to constantly struggle their way up a ‘slippery slope’. In doing so, you have defined the need for a policy framework that would make sustainable consumption decisions become the norm. Where do you see the signs that these ideas have been implemented in German politics?

In 1999, the Red-Green government introduced an ecological tax reform that has saved or created approximately 250,000 jobs and protects the environment. We have to pick up that thread once again.

What actions should politicians take to refine this legislative framework?

Ideally, there would be a political decision at EU level, and, if necessary, at the national level to raise the energy prices every year, matching the increase in energy efficiency in the previous year. With social tariffs for beneficiaries of the social welfare “Hartz IV” as well as revenue-neutrality for energy intensive industries. Such a decision would hardly cause any suffering, and it would trigger an avalanche of innovation and investment in energy efficiency, making the country richer and more competitive.

Which countries can provide a good example for the debate in Germany?

Japan, in the 1970s, under the shock of the oil crisis and a total dependence on energy imports, raised energy prices, making energy almost twice as expensive as in competing countries. As a result, the Japanese did not see the need for nuclear energy, which had resulted from the American atomic threat of the Cold War. Japan shows that there is a way to avoid the “nuclear option”. The result was not the feared de-industrialization but rather an explosion of technological innovation and a rapid strengthening of competitiveness.

What do you hope for an energy transition, and how can that happen?

We must achieve a situation whereby efficiency is progressing faster than growth. Although this is currently technologically possible, it will not come about however, whilst energy is cheap.

The dynamics of economic development in emerging markets poses new challenges in the fight against the ‘slippery slope’. Do you see any successful policy approaches elsewhere?

The emerging and developing countries use, in fact, much less afford to waste energy than the rich countries. China makes energy more expensive, India and South Africa are also on this path. They respect much from German efficiency technology.

The rebound effect is the biggest problem. In most countries it is not even perceived or identified as a problem, but rather celebrated as growth. What we must achieve is a situation whereby efficiency is progressing faster than growth. This is currently technologically possible, but it will not come about however, whilst energy is cheap.

Money is available!

Removing harmful subsidies for the sake of sustainable development

Whether nationally or globally; the numbers are so shockingly high, it’s hard to imagine. Nine billion euros, for instance, is annually granted to German industry for electricity costs. Worldwide, subsidies are estimated at a whopping one trillion US dollars – subsidies that actually harm the climate, the people and the environment, instead of helping. When governments declare that they have no money for urgent investment into a social and ecological economy, this is more than hypocritical.

The money is there – it is just being given to the wrong people for the wrong things. For example, the millionaire-family Vidal from Spain use illegal fishing practices to empty our oceans, yet at the same time they pocket 12.5 million in EU fisheries subsidies. Or how about the rich producers and users of fossil fuels, who, with an estimated $750 billion per year, collect the lion’s share of harmful subsidies worldwide. According to the International Energy Agency, only eight percent of fossil fuel subsidies reach the poor.

The overall social and environmental costs of electricity from lignite and coal-fired power plants, for example, add up to 13.6 and 14.8 cents per kilowatt hour respectively. For nuclear energy it’s even more – at least 36.4 cents per kilowatt hour due. Yet for one kilowatt hour of wind power, the accrued costs are just 8.1 cents. Nonetheless, it suits the powerful energy companies to ensure that the discussion amongst leaders and in the tabloid press is limited solely to the supposedly “expansive” green energy, whilst they gloss over the fact that the true costs of electricity are not paid for by the companies, but by all of us.

Besides transparency, clear policy objectives (such as an elimination of harmful subsidies by 2020) and a tax system in which social and environmental “bads” are charged adequate, non-commercialized greenhouse gases, for instance, are urgently needed above all. In order to change the current subsidy and tax policy, the power of the large polluter-companies must be broken.

Who is being supported to do what is a question for democracy. Only when the people, not the industry lobby, determine the actions of our rulers, will the billions that flow today into the pockets of our future, finally fund poverty reduction and environmental protection.

Further Information:
Daniel Mittler, Political Director of Greenpeace International
www.greenpeace.org

OP-ED ARTICLE

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A dual challenge
Interview with Lina Li, policy officer at “Greenovation Hub”, China

Is there a debate about the potential role of China regarding the necessary global transformation towards low carbon and food security?

There is certainly debate, both domestically and internationally. Increasing concerns about energy security and environmental damage, and pressure to maintain the nation’s competitiveness for economic growth, are key drivers. At the same time, as a country of the largest population (half still in rural area) in the world, with limited arable land and resources, China has long history of striving for securing sufficient food for feeding its people.

The huge gap does exist in recognizing and addressing the multiple and interlinked crisis of food, energy, and climate. A fundamental transformation required towards a sustainable and just society, which ensures sustainable energy and right to food for all, as such it also means transformation of its development model.

How does Chinese civil society reflect the gap between the need for economic growth for social stability and development on the one side and addressing environmental and social challenges on the other side?

It was and is not a gap between the two, but actually a dual challenge – again then, the economic and governance systems need to be analyzed and taken into account as part of the solution, since it is part of the problem. Most Chinese citizens and stakeholders need to be informed and mobilized, into a broader debate and corporate solution-exploration journey.

What are the most promising proposals for effectively reducing CO2 emission growth in China in the next decade?

The difficult change that’s required is so deep and vast, that for as long as there are concerns over its cost (short term loss) are not surprising. As such, there is no silver bullet for it; though, shift energy structure (reducing the peak of coal consumption as soon as possible), improve energy efficiency in all sectors (industry, building, transportation), and more intensively enhance the deployment of renewable energy are standing as key proposals. To achieve these, governance including electricity and energy price system, and institutional systems need also reform, and more effective policy tools (e.g. carbon pricing) need to take root, in a manner that fits the national and local situations.

Do you see, and if so, where successes, best practices, political directions to move towards a post-fossil energy system in China?

The 40-45% reduction of carbon intensity, with which the energy and carbon targets in the 11th and 32th Five Year Plan aligned, is key political direction to move towards a post-fossil energy system in China. Top down policies and measures have also somehow succeeded in bringing down growing pace of energy consumption. Interesting experiments including carbon market, low carbon urbanization and distributed energy system etc, are also of great potential to leverage the change. Determination and policies seem to be in place, yet implementation and paradigm shift still need enormous efforts at all levels and time.

What international new alliances are needed and how which help to bring the necessary global transformation forward?

The new alliances need to be forward thinking, cross-boundary, cross-issue, and at all levels.

Interview: Stefan Rietsteck, Ruta Schwarz

Cooperation, not conflict
EU, China and India can generate momentum

The international community’s performance at this year’s United Nations Conference on Sustainable Development in Rio de Janeiro was disappointing and the outcomes were lacklustre. At the UN climate negotiations, too, countries are still failing to commit to the ambitious action that is needed to achieve compliance with the 2 °C limit. This inaction, which has a number of causes, and the continued adherence to a “business as usual” approach, especially by the influential countries, are awakening fears that confrontation, not cooperation, could increasingly prevail – not only in relation to the ever more urgent issue of access to energy and raw materials, but also in diplomacy on climate change and food security.

Despite ongoing climate change, water scarcity and increasing world food insecurity, can the multilateral system muster this challenge on the basis of partnership? Or will the modern concept of security, defined as international stability, take a retrograde step towards individual-state security? That could happen if we fail to utilize the current momentum to expand diplomacy and cooperation between countries.

The European Union, which has just been announced as the winner of the 2012 Nobel Peace Prize also in recognition of its tireless commitment to peace and multilateralism, has a particular responsibility in this context. It should enter into pioneer alliances with the regions and countries worst affected by climate change, and with leaders in this field and particularly relevant countries. Besides the small island states and the group of least developed countries, these include the MENA region (Middle East and North Africa), China, India, and also South Africa.

Cooperation between the EU, China and India could generate fresh momentum for practical climate action and the transformation of energy systems, both within the countries concerned and in the UN climate process. The EU’s investment capacity to move forward in the international climate process seems set to continue for many more years. Compared with only a few years ago, however, more and more stakeholders in China and India are willing to talk about the issue and enter into cooperation with the EU.

The potential cooperation between the EU, China and India on a sustainable energy supply could facilitate the attainment of three goals: firstly, bilateral and trilateral activities and investments promote energy efficiency and support the expansion of renewable energy systems and emissions trading schemes. Secondly, it could generate fresh momentum in the UN climate negotiations. And thirdly, the countries could work together to define sustainable development goals (SDGs) in the post-Rio period.

Rita Schwarz

NGO strategy dialogue on energy and climate, agriculture, and food security

The food, climate and finance crises have affected millions of people on this planet. But they have also forced governments to confront the fact that “business as usual” is no longer an option. Yet much still needs to be done to reconfigure the economic structures that have led to these crises. Civil society actors have a critical role to play in making this vital transition. The NGO Dialogue on Transformation, organized by Germanwatch with support from IATP, brings together civil society actors from around the world to address the critical issues of food and energy security in a world that must effectively and urgently reduce greenhouse gas emissions. Key questions that the Dialogue addresses include:

1. How can universal access to energy be achieved while effectively tackling climate change?
2. How can we make the right food for a reality, especially for more than 870 million people currently suffering from hunger? And how can we do it in a way that respects global ecological boundaries?
3. Agriculture is the human activity most affected by climate change. And it is the source of livelihood for billions of people, primarily in the South. The climate problem must be addressed in an equitable manner, not only between the North and South, but also within both the North and South. Agriculture adaptation for small producers is central to this effort. A transition towards ecologically resilient farming systems and one that shifts us away from harmful industrial trial practices will not only help small producers adapt, but also contribute to mitigation efforts.

The NGO Dialogue on Transformation takes these issues seriously and initiates a dialogue among civil society organisations from the Global South and North. It seeks to develop strategies for the necessary transformation of the energy and agriculture sectors in a way that respects global boundaries, the right to food and universal access to energy.

The Dialogue is being developed by an inter-national steering group of the highest caliber. It will have strong representation from all regions of the world, especially the global South, and it should provide a good space for constructive discussions of how to move forward together in a way that is both equitable and effective. I hope the NGO Dialogue on Transformation will build a strong basis for the “Great Transformation” we urgently require.

Jim Harkness, President, IATP

See also: www.dialouge-on-transformation.org for further information
Middle East and North Africa at the crossroads

Energy partnerships such as DESERTEC could rekindle a rethink

The impetus required for a worldwide fu-
ture is huge and the scale of the challenge is enormous. The energy sector needs a new paradigm: a model that will only be generated if regions which until now have not been engaged with sustainable development, such as the Arab states, model and act with additional ex-
tent, if at all, can be encouraged to make pro-
gress. In this context, the Middle East and Asia, China, the Middle East and North Africa (MENA) region is a strategic regional priority for Germanwatch.

On the one hand, the Southern riparian coun-
tries of the Meditterranean are known to be particu-
larly impacted by climate change and the energy transitions to be initiated. On the other hand, climate change is still a new topic on many MENA countries’ political agendas. They lack comprehensive mitigation and ad-
adaptation strategies, and regional partnerships aiming to address these issues are still in their infancy. In fact and up to this date, many Arab countries have focused on protecting their fossil fuel resources and obstructing the opportunity to avoid the expansion of nuclear power in the region by harnessing its renew-
able energy potential, it is however, essential to ensure that DESERTEC also benefits the lo-
cal communities in the development of the region’s renewable energy projects. Centralised and decentralised energy generation should not be played off each other, and energy partnerships between the European Union and the MENA region within the DESERTEC concept – could mark a significant turning point and soften the re-
cision of gathering points and can help to resolve climate negotiations in the future. Already, the impending energy crisis has encouraged many Arab states to introduce ambitious energy plans and promote ambitious renewable energy ventures. Despite the implementation of various forms of renewable energy, mainly major solar thermal power plants and photovoltaic systems in the deserts and wind farms along the coasts, which aimed to integrate renewable energy into the system, the major aspects of the energy crisis in North Africa is consumed locally and not

Who are we and what we want to achieve

Goal of Germanwatch

Germanwatch is an independent environmental and development organization. Since 1991 we are committed to global equity and the preservation of livelihoods. Our core topics are Climate Protection and Adaptation, World Food, Corporate Accountability, Education for Sustainable Development and Financing for Climate and Develop-
ment / Food.

With our activities we focus on the politics and economics of the North with their worldwide consequences. The situation of the marginalised people in the South is the starting point of our work. Together with our members and supporters as well as other actors in civil society we intend to represent a strong lobby for sustainable development. Our work is based on the following principles:

- Dialogue and work with governments and NGOs worldwide. Our work is rooted in an international network of NGOs commissioned by Germanwatch.
- Working with experts in Germany and abroad. While all of our work is located in Germany, we regularly invite experts from other countries to discuss specific topics.
- Organising exhibitions, film festivals, workshops, trainings, etc. We regularly organise events and workshops on topics related to our core issues.
- Publishing research, reports, and briefs. We publish regularly on our core issues, including reports, briefs, and research papers.
- Working with the media. We regularly work with journalists and media outlets to raise awareness about our core issues.
- Providing consulting services. We provide consulting services to governments, NGOs, and other organisations on our core issues.

In particular, we focus on the following areas:

- Climate Protection and Adaptation
- World Food
- Corporate Accountability
- Education for Sustainable Development
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Layout: Dietmar Putscher, Cologne.

Hillary Crowe, Alex Eden. Date: October 2012.

Published by Germanwatch e.V. Editing: Dörte Bernhardt

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